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Annual Report

Fiscal Year 1985



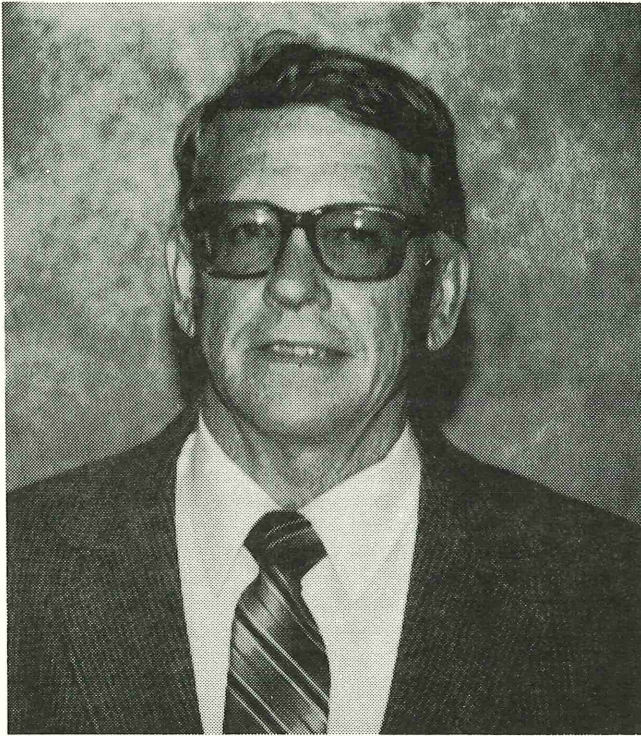
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Northwest Regional Development Commission

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CHAIRMAN'S LETTER



It is again my honor to present to legislators, local officials and esteemed citizens, the Annual Report of the Northwest Regional Development Commission. The report for Fiscal Year 1985 reflects a wide array of activities in which the Commission was involved in pursuing enhancement of the quality of life in Northwest Minnesota. I am proud of the numerous accomplishments of the past year and look forward to the new challenges that come with the next year.

It is rather common knowledge, I suspect, that our area is in the midst of a period of considerable change that is evident on many fronts. Many aspects of community, economy and society in Northwest Minnesota are being confronted by changing circumstances and by the need to adapt to new realities. One of the greatest strengths of Northwest Minnesota over the long run has been the ability and willingness of the people to view changing circumstances as opportunities, rather than as problems. My observation of the activities of leaders in both public and private sectors in the area indicate that the process of building opportunities for the future is receiving growing attention and interest. While the future may not be as secure as it was once thought to be, it clearly becomes more secure as the issues become focal points for energies directed around visions of future prospects. The Commission has a significant mission in the area of helping to build for the future and strives to work with a wide variety of entities in helping to foster constructive outcomes from change. The challenge is considerable, but I believe that pulling together to solve opportunities is the best path we have to reach our mutual goals.

The Commission has carried forth considerable effort in the past year in the area of meeting the challenges of human service provision in an environment of growing needs and

scarcer resources. The Commission's Aging Program has a central focus on fostering opportunities for meeting the needs of our growing older population by services that make it possible for the elderly people to remain independent in their own homes. Consequently, focal points have been on developing senior centers, meals programs both at centers and at home, home health services, chore services and other services that support independent living. This approach benefits both the older person and society by teaming independence with cost effective services. The Commission's Arts Program continues to focus on fostering the development of arts and humanities opportunities, particularly through the award of state and foundation funds to community arts organizations to help sponsor events at the community level.

In the community and economic development areas, the Commission carried forth major efforts in transportation, community development and economic development during the year. The Commission's Transportation Program has earned a solid reputation for careful study and definition of the area's critical transportation needs, for fostering development of key links in the commodity movement chain, and for assisting preservation of a major rail corridor in the Region. The Community Development Program provided a wide variety of professional assistance to communities in helping focus efforts, develop sound projects and plan for systematic improvements. The Economic Development Program was involved in many successful projects in both large and small communities in the Region that have resulted in the creation of new jobs and making existing jobs more secure at a time when jobs are key to the area's future. These efforts, when taken collectively, have contributed to the successes that have emerged in various communities in Northwest Minnesota.

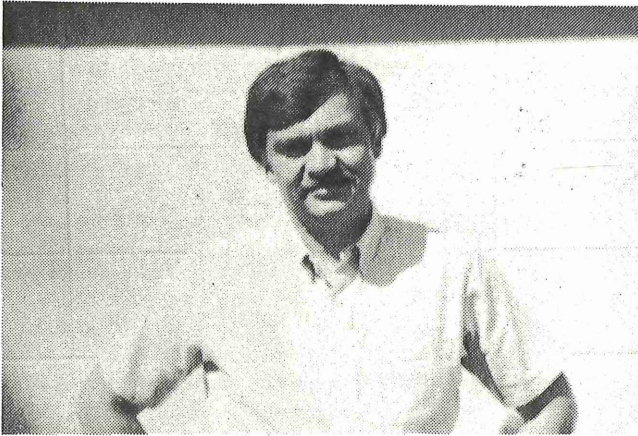
The efforts highlighted in this report are pointed to with pride in past accomplishments, and as well form a challenge for even more efforts to pursue opportunities in the future.

Respectfully submitted,

A handwritten signature in cursive script that reads "Harry Sjulson".

Harry Sjulson, Chairman

EXECUTIVE DIRECTOR'S REPORT



The twelfth year of the Northwest Regional Development Commission has passed quickly on a path marked by a wide variety of activities and events. Successes on projects the Commission was involved with are memorable hallmarks in strengthening Northwest Minnesota for the future.

Perhaps the most important trend arising over the past several years and particularly evident this past year is the growing sense of commitment among leaders at the community level to ensure a solid economic future. The increasing array of partnerships between communities and their business sectors with the goal of producing and preserving jobs are showing their effectiveness. As economic conditions evolve in our area, the need to take positive action to maintain healthy communities is more evident than ever before. This need will undoubtedly grow in the coming year and will continue to challenge all of us.

To highlight the many activities of the Commission and its staff is the business of the remainder of this report, and thus I won't reiterate that. I do, however, want to mention something that is too often overlooked when activities are reported; namely the people who form the ideas, gather the resources, do the hard work and form the decisions. They are the critical ingredient that determines success or failure along the path of any of the things that happen, whether here or elsewhere. In most cases, the projects that the Commission works on originate as ideas in a community, a governmental body, an organization or a business. They are the outgrowth of someone recognizing a need or an opportunity and having the energy to try to make something happen. These people deserve first level recognition. The Commission and its staff spend considerable time working with such ideas to assess their chances of success, to help shape them and to develop resources and approaches that can bring them to success. A lot of hard work goes into making that process work and many people are involved.

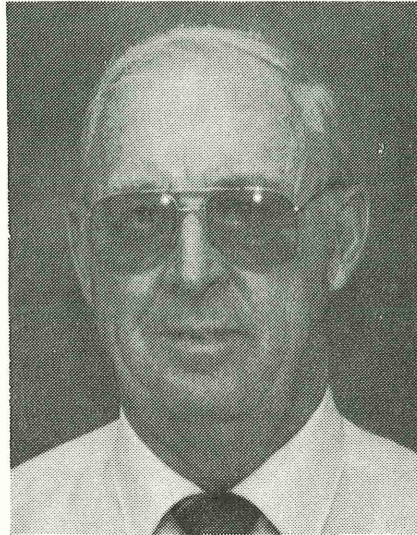
In addition to the many good and dedicated people we work with at the Community, agency and organizational levels, there are some who deserve special recognition. I refer here to the Commission members, the many members of our Advisory Committees and to our staff. They invest their time, energies and thoughts in the effort to build for a better future. Often those labors are done out of the limelight and usually are not well applauded. Sometimes they are met with skepticism, but nonetheless they persevere. It is fortunate that they see the rewards that come with perseverance in pursuit of sound goals. It is that kind of dedication that makes problems into opportunities and potentials into realities.

Thomas B. Jorgens

BOARD OF DIRECTORS



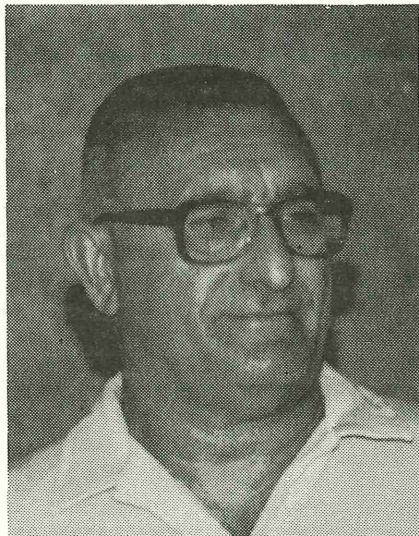
CLEO CLEVELAND



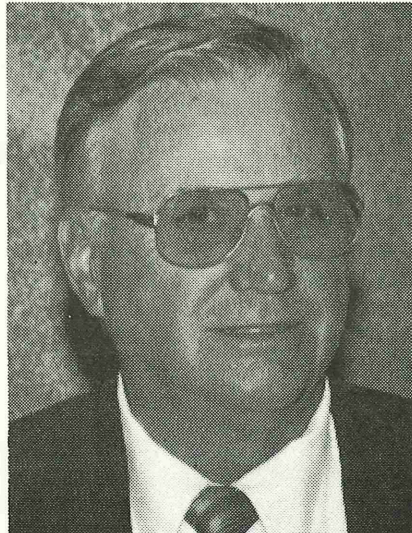
WILLARD PURATH



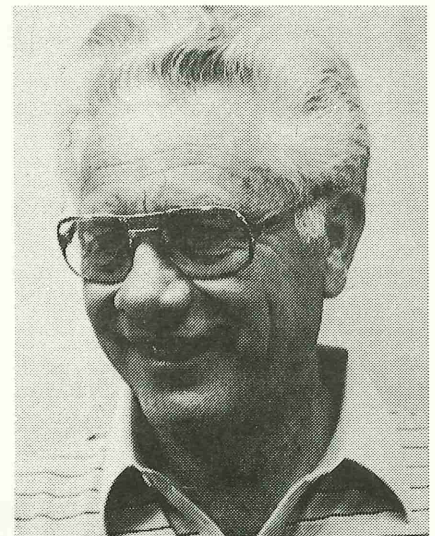
BILL GATHERIDGE



FLOYD HOVLAND



ERVIN STRANDQUIST



WAYNE JUHL

Ambrose Wysoski from Thief River Falls, served as a Board member until the time of his death in February of 1985.

COMMISSION MEMBERSHIP

COUNTY	COUNTY BOARD	TOWNSHIP BOARD	CITIES
Kittson	Charles Lindberg Kennedy	*William Gatheridge Humboldt	Dr. Joe Bouvette Hallock
Marshall	Kenneth Price Stephen	*Ervin Strandquist Newfolden	Vernon Gunderson Newfolden
Norman	John Storsved Hendrum	Cary Sip Ada	*Floyd Hovland Ada
Pennington	Donald Grabanski Thief River Falls	Kermit Finstad Thief River Falls	Earl Frazer St. Hilaire
Polk	Eugene Mattson East Grand Forks	Gary Letnes Crookston	Duane Knutson Fertile
Red Lake	*Willard Purath Red Lake Falls	Ralph Berg Brooks	Vaughn Thorfinnson Red Lake Falls
Roseau	*Wayne Juhl Greenbush	Joe Jacobson Wannaska	Gary Hendrickson Warroad

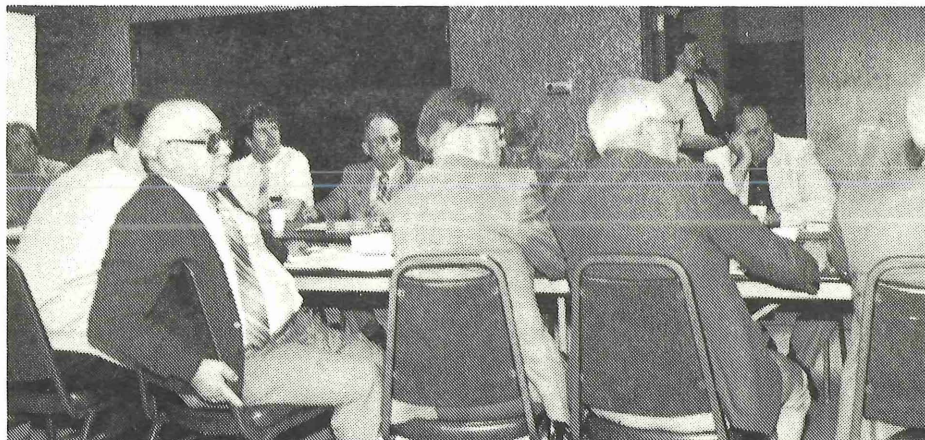
SCHOOL DISTRICT REPRESENTATIVES

*Cleo Cleveland
East Grand Forks

*Harry Sjulson, Chairman
St. Hilaire

PUBLIC INTEREST GROUPS

Argiculture	Norma Hanson, Goodridge	Soil & Water Conservation	Verne Green, Newfolden
Business	Harold Thomforde, Crookston	Vocational Schools	Harvey Tripp, East Grand Forks
Labor	George Wikstrom, Jr., Karlstad	Watershed District	Rudee Anderson, Greenbush
Low Income	Lowell Enerson, Oklee	Women	Treasure Omdahl, Warren



Following are the members who no longer serve but did serve during FY'85: Donald Bakken, Fertile; Glen Halvorson, Warren; Jerry Sandstrom, Thief River Falls; Fred Sorensen, Grygla; Randal Swenson, Lancaster.

*Member of Board of Directors

NORTHWEST PRIVATE INDUSTRY COUNCIL

Maryel Anderson, Thief River Falls
Donald Bakken, Fertile
Rollin Bergman, Ada
Donald Cavalier, Crookston
Gary Erickson, Thief River Falls
Ellef Erlien, Twin Valley
Marcella Gonsorowski, Newfolden
Donald Goodridge, Thief River Falls
Bill Huggett, Crookston
Anne Jaeger, Plummer

Alvin Jensen, Oklee
John Johnson, Thief River Falls
John W. Johnson, Warren
Joyce Magner, Newfolden
Elworth Maki, Newfolden
Dawn Newton, Crookston
Claudia Nielsen, Lancaster
Tom Papin, Roseau
Channing Peterson, Roseau

Jack Quinlivan, Thief River Falls
Stanley Roadfeldt, Badger
JoAnn Sayler, East Grand Forks
Robert Smith, Crookston
John Storsved, Hendrum
Randal Swenson, Lancaster
Gary Thibert, Red Lake Falls
George Wikstrom, Jr. (Chairperson), Karlstad
Joan Wilson, Thief River Falls
Lloyd Wold, Trail

ADVISORY COMMITTEES

AGING ADVISORY COMMITTEE

Michael Ackley, Halstad
Orville Anderson, Karlstad
Emil Bagley, Crookston
Larry Clausen, Roseau
Monica Douglas, Moorhead
R. L. Edwards, McIntosh
Lowell Enerson, Thief River Falls
William Gatheridge, Humboldt
Verne Green, Newfolden

Pearl Hotvedt, East Grand Forks
Lloyd Hovelson, Gary
A. J. Kramer, Roseau
Calvin Melgard, Warren
John Nowacki, Warren
Ernest Pederson, (Chairperson), Plummer
Wayne Rusten, Hallock
Lilja Snyder, Crookston
Otto Stenberg, Thief River Falls

ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE

Cecil Anderson, Thief River Falls
Milton Arneson, Sr., Roseau
John Carpenter, Hallock
Harlan Charon, Hallock
Arvid Clementson, Fosston
Cleo Cleveland, East Grand Forks
Steve Gorman, East Grand Forks
Norma Hanson, Goodridge
Duane Knutson, Fertile
Steve Mercil, Crookston
Kenneth Redland, Ada
Omar Rood, (Acting Chairperson), Crookston
Ken Schuster, Argyle
Ray Tunheim, Newfolden

TRANSPORTATION ADVISORY COMMITTEE

Ronald Rasmusson, Ada
Harlan Almen, Red Lake Falls
Ralph Berg, Brooks
Troy Dagen, Kennedy
Captain Daniels, Thief River Falls
Donald Grabanski, Thief River Falls
Marvin Hutchinson, Thief River Falls
Richard Jorde, Thief River Falls
Wayne Juhl, Greenbush
Delray Larson, Gatzke
Cary Sip, Ada
Ralph Stoffel, Thief River Falls
Harold Thomforde (Chairperson), Crookston
Gene Wagar, Halstad

ARTS ADVISORY COMMITTEE

Ruth Anderson, Greenbush
Helen Chervestad, Oklee
Cleo Cleveland, East Grand Forks
Glenda Gausen, Thief River Falls
Carol Hallan, Warroad
Bob Kinkade, Ada
Tony Kuznik, (Chairperson), Crookston
Evangeline Myhre, Warren
Andy Nelson, McIntosh
Peter Pinnock, Kennedy
Mil Sahlstrom, Crookston
Marie Scott, Red Lake Falls
Ric Sorensen, Fosston
Luanne Visser, Ada

NATURAL RESOURCES ADVISORY COMMITTEE

Charles Anderson, Crookston
Rudee Anderson, Greenbush
Rudy Applequist, Crookston
Irving Beyer, Red Lake Falls
John Gaukerud, Badger
Marcella Gonsorowski, Newfolden
Verne Green, Newfolden
Alan Gustafson, Hallock
Wendell Johnson, Crookston
Earl Radi, Crookston
Leonard Skaar, Thief River Falls
Dan Svedarsky, Crookston
Kenneth Wieland, Red Lake Falls
Terry Wolfe, Crookston
Dean Younggren, Hallock

HUMAN RESOURCES PLANNING



GAIL BUTENHOFF



MARY JO CRYSTAL



PAT ROOD

ADULT FOSTER CARE

The Adult Foster Care Program completed its tasks by January as stipulated in the Department of Human Services grant. The major objectives met were: 1) completion of a rural statewide model for recruitment, certification and placement procedures contained in a Manual for Social Workers; 2) completion of a Training Manual for Providers and accompanying Instructor's Guide.

The Statewide training on these manuals is planned for July 1985, to be done by the former Director of the AFC project. In addition, the recruitment slide show won an award from APWA.

AGING PROGRAM

HIGHLIGHTS

*Granting activity increased by 30 percent over the previous year.

*A comprehensive "Directory of Programs and Services for Older Persons in Region I" was developed to aid seniors and service providers in coordinating with and utilizing existing programs.



*The Fall Conference, "Old Age is Not for Sissies" held in Thief River Falls, was attended by a record crowd of 240 persons.

*The need for nutrition services and the cost effective delivery of those services became an area of detailed study and investigation by the staff, the Aging Committee and NWRDC members.

The amended Federal Older Americans Act of 1965 provides the philosophical base and fundamental guidelines for the Northwest RDC's Aging Program. It defines our purpose of working for a coordinated and comprehensive system of community options that help older persons maintain independence and dignity in a home environment. With this as the goal, the Commission examines and plans for the needs of local older persons, advocates on their behalf, provide in-

formation and education, assist local governments and service providers through the provision of technical assistance, and allocates funds for service planning and data development are necessary functions of the program in order to assess the needs and available resources, determine the gaps in service, and to direct the programmatic and regrant resources. Toward this end, the NWRDC surveyed 550 seniors at 21 locations throughout the region. The results were analyzed and used to help direct program activities and develop the 1985 Area Plan for Programs on Aging.

In an effort to inform the public, accelerate appropriate service utilization and increase coordination among providers, the Commission developed a "Directory of Programs and Agencies for Older Persons in Region I". This directory has been distributed to over 300 persons and service providers. In addition, since the information in the directory is available in mailing label format from the NWRDC, service providers are given the opportunity to access this information for public awareness or information mailings.

Recognizing the need for education on issues of concern to older persons, the NWRDC held a conference, "Old Age Is Not For Sissies". Topics covered included: Supplemental Insurance, Housing Options, Alzheimer's Disease, Funeral Pre-Planning, Patients Rights and The State of Health Care in America. The attendance of 240 persons indicated a desire for education on the serious aging issues of today.

During the past year, the commission undertook a major effort in the area of nutrition. Regionally, nutrition services are viewed as essential in meeting not only a daily human need, but as a preventive measure helping to maintain good physical and mental health through sound nutrition and social interaction. The Commission investigated the delivery system and analyzed the resulting costs with the intent of maximizing the impact of our nutrition monies on the region. As a result, the Region I nutrition monies were awarded to a new service provider and the service was transitioned on January 1.

In other supportive service areas, the regional granting activities increased significantly. This is largely due to the addition of Hospice and Respite Care as two new funding priorities. Overall, the number of grants awarded increased by 30% in one year and were



funded by the NWRDC with Federal, State, and McKnight Foundation dollars.

Access Services

Kittson County Senior Transportation	\$ 3,350
Roseau Senior Medical Travel	\$10,000

Advocacy Service

Northwest Minnesota Legal Service - Region I	\$15,000
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In-Home Services

Inter-County Home Health Aide Care	\$ 5,619
Marshall County Home Health Aide Service	\$ 5,467
Polk County Home Health Aide Program	\$ 6,900
Roseau County Home Health Aide Program	\$ 6,416
Roseau County Chore Program	\$10,000
Valley Chore Service - Polk, Norman, Pennington	\$37,569

Respite Care Program - Region I	\$ 5,704
Fosston Hospice	\$ 3,153
Valley Hospice - Warren	\$ 5,052
Northland Hospice - Thief River Falls	\$ 1,150

Nutrition Services

Senior Congregate Nutrition Program	\$317,766
Region I Home Delivered Meals	\$86,112

Senior Self-Help

Lakes Area Hospice - Ada	\$ 750
Riverview Hospice - Crookston	\$ 1,073
Plummer Craft Program	\$ 1,190
Winger Craft Program	\$ 1,073

Senior Centers

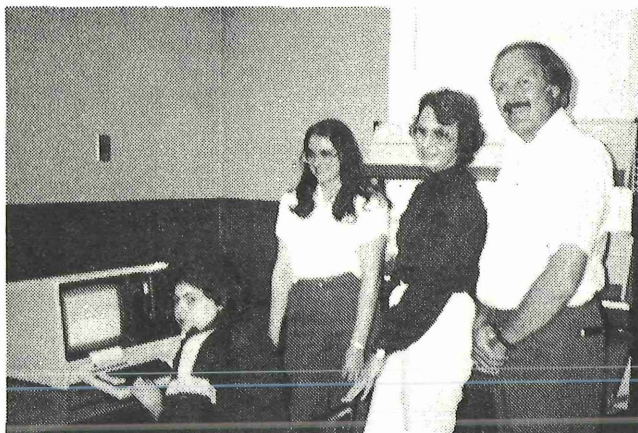
Karlstad Senior Center	\$ 7,629
Stephen Senior Center	\$20,335
Thief River Falls Senior Center	\$31,011

DEVELOPMENTAL DISABILITIES

In the past year the Developmental Disabilities (DD) Program underwent a transition to become a direct service pilot program in Region I. The focus of the DD Program was to assist local human service organizations in the development and improvement of services for handicapped people. The DD Program

was concluded September 30, 1984. For the three month period from July 1st to September 30th, the program focused on finalizing the Norman County's CSSA Plan, submitted final reports and distributing files to proper agencies as part of the transition to a direct service program.

JOB TRAINING PROGRAM



The Job Training Partnership Act (JTPA) programs in the Northwest Service Delivery Area (NWSDA) were expanded over the past program year to include an Older Worker Program, a Dislocated Worker Program, an Ex-Offender Program, a Placement Program in addition to the Title II-A and II-B Youth and Adult Job Training Programs.

Marketing these programs has been a priority for the Northwest Private Industry Council (NWPIC). A staff person was hired to travel throughout the seven

counties showing the job training slide presentation which the NWPIC developed. The NWPIC also developed a brochure which was sent out to local employers. It is because of these marketing efforts, many new employers became involved in the program.

In its planning process, the NWPIC completed a new contract and solicited program operators to deliver job training services in the seven counties. The three main program operators for the next program year will be the Department of Economic Security, the Region I Career Center, and Inter-County Community Council. A new management information system will be in place at the NWRDC to record the job training activities locally rather than purchasing this service through the state. We have received two IBM computers to accomplish this new task.

The NWPIC and the NWRDC worked very hard to secure additional dollars through the State's allocation process. We were successful and will be receiving \$1,410,267 for program year 85 in Titles IIA and IIB.

The Private Industry Council is committed in its efforts to provide appropriate job training to economically disadvantaged unemployed persons in our seven counties along with helping each individual develop a positive attitude toward the world of work.

ARTS PROGRAM

Dance classes, performances by mime artists, live theatre both community and professional, and concerts by French Canadian performers are examples of events funded by the NWRDC Arts Program this year.

The Regional Arts Council reviewed thirty applications for funding and funded sixteen projects totaling \$18,025. That \$18,025 in grant funds leveraged approximately \$61,999 in local funds yielding an expenditure of over \$80,000 in arts programming which is expected to reach 13,015 people.

As in past years, community theatre productions received the bulk of the grant funds. In addition to the community theatre groups in Crookston, East Grand Forks, Fosston and Warroad, two new communities received funds for theatre. Two Rivers Area Theatre, Red Lake Falls, will be presenting "Annie Get Your Gun" and the City of Ada, which successfully produced a children's theatre production, "Children of Siam," will be producing their second children's theatre production.

A lesser known art form, mime, was introduced by the Northwest Regional Library and the University of Minnesota, Crookston. The UMC hired a mime from New York for two performances and one workshop; the NWRL hired a mime from Moorhead for performances in seven communities — Thief River Falls, Red Lake Falls, Roseau, Warroad, Greenbush, Hallock and Warren.

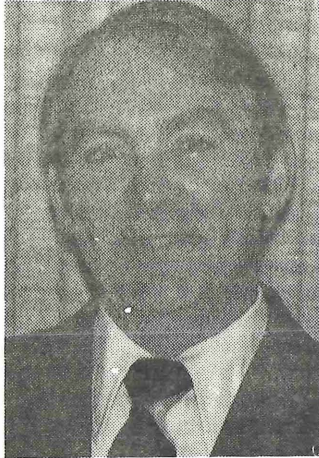
The primary funding for the arts development grants is provided by the Minnesota State Legislature. In FY '85, the eleven Regional Arts Councils also received a \$50,000 grant from the Blandin Foundation which was matched by an equal supplemental award by the State Legislature. The Blandin funds were earmarked for sponsor assistance projects which bring professional artists into the Region.

The NWRDC also received \$4,000 from the McKnight Foundation to fund capacity-building projects for the Region's semi-professional groups. The funds will be used to purchase sound and light equipment for groups in Crookston, East Grand Forks and Fosston.

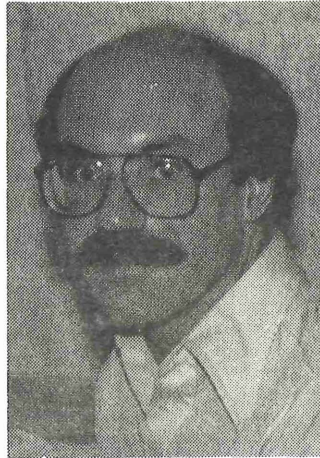
The activities of the Arts Council are guided by the Northwestern Arts Plan which is revised every two years and submitted to the Minnesota State Arts Board and the Minnesota State Legislature. The needs assessment, conducted in February, indicated a continued desire for live theatre - in particular musicals. Bringing in outside performances or artists and increased arts programming for children also ranked high in the assessment. Distance, lack of time, and lack of information were listed as the primary reasons for not attending arts events. The results of the assessment were incorporated into the Arts Plan for FY'86-87 and will guide funding and programming decisions for the next two years.

GRANTEE	ACTIVITY	GRANT
Northwest Regional Library (B)	Series of Seven Mime Programs	\$ 465
Fosston Community Library & Art Center	Dance Classes	\$ 750
Red Lake County Historical Society (B)	French-Canadian and German Musical Performances	\$ 706
City of Ada - Summer Recreation	"Children of Siam"	\$ 400
East Grand Forks Community Performing Arts Council	"Big Al's in Town"	\$1,490
Two Rivers Area Theatre	"Annie Get Your Gun"	\$1,481
Crookston Civic Music League (B)	Performance by Daws Faricy Duo	\$ 748
Crookston Community Theatre	"Fiddler on the Roof"	\$2,441
University of MN - Crookston/Concerts and Lectures (B)	Performance and Workshop by Mime Artist	\$ 851
Fosston Community Library and Art Center	"A Funny Thing Happened on the Way to the Forum"	\$1,530
City of Ada - Summer Arts Program	Production of a Children's Musical	\$ 350
Warroad Summer Theatre	"Where the Lillies Bloom", "Foxfire", "The King and I", "Bly the Spirit"	\$2,400
Association of the French of the North (B)	French Festival Featuring "La Famille Dandeneau"	\$ 617
Crookston Community Theatre (B)	"Excile from Main Street: A Portrait of Sinclair Lewis" by the Great North American History Theatre	\$ 800
Fosston Community Library and Art Center	Performances and Workshops by the Dudley Riggs Theatre	\$2,775
Fosston Community Library & Art Center	"Godspell"	\$ 220
Crookston Community Theatre (M)	Sound and Lighting Equipment	\$ 855
East Grand Forks Community Performing Arts Center (M)	Sound Equipment	\$1,820
(B) - Blandin Foundation Funding		
(M) - McKnight Foundation Funding		

PHYSICAL PLANNING



WAYNE FAUST



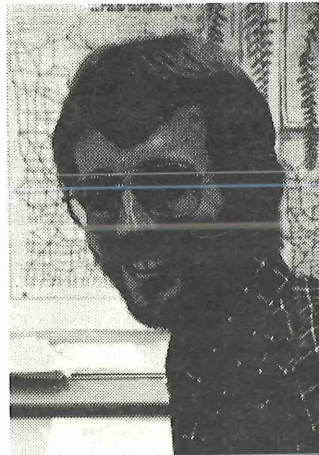
LEON HEATH



DELORE ZIMMERMAN



HELEN JURCHEN

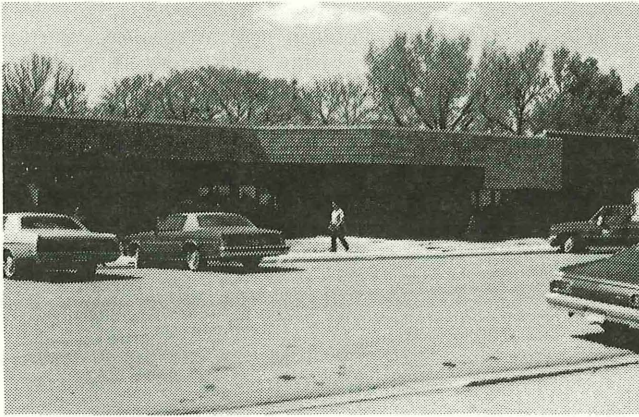


WAYNE GOEKEN



JUDI BRUGGEMAN

COMMUNITY DEVELOPMENT



The demands for technical assistance in planning and management is growing and NWRDC staff is striving to meet those demands. The Commission is providing the staff to manage the Red Lake Falls comprehensive project as well as on St. Vincent's Township International Flood Control Project. The St. Vincent project of land acquisition is underway and expected to be completed so construction can start by August 15th.

Red Lake Falls asked for and received an extension

of their project to provide housing rehab to the north side community that was excluded from its original grant, this was possible due to funds left over from the original project.

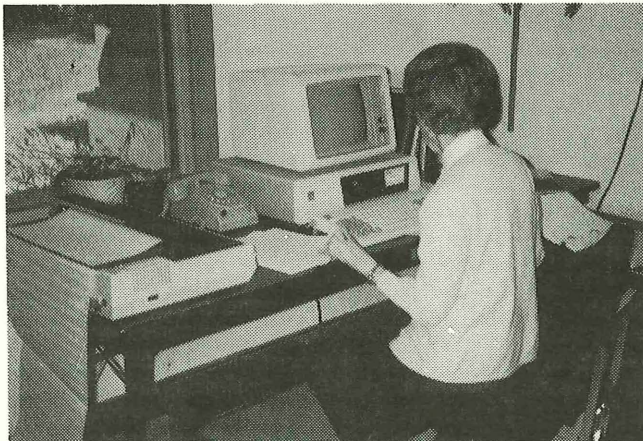
Staff also was involved in the preparation of the enterprise zone designation application for Fosston/McIntosh, and the City of Crookston. Crookston was successful in its request and has used this tool to help capture new industry.

Ten communities submitted Small Cities Community Development Projects this funding cycle and five received funding plus two continuation projects bringing over \$4,000,000 into Region I. Staff provided grant writing and planning to the City of Ada and Strathcona and data assistance to others.

The communities of McIntosh, St. Hilaire and Warroad have contracted with NWRDC to either update or prepare a comprehensive plan for their community. Work has been started on them and will be completed in FY 1986 program year.

The NWRDC sponsored a live video conference originating in Washington, D.C. via satellite by the National Main Street Center. The conference was held in Crookston and fourteen communities participated in the 5½ hour program. The program centered around preserving the historic downtown, revitalization, design and economic structuring.

DATA MANAGEMENT



The NWRDC is a depository of information on population, housing and economic activity within the Region. In addition to providing a central location for the collection of this data, the staff performs analysis of trends, profiles existing conditions and interprets pertinent information. The emphasis during the past year has been on computerizing the in-house data base to allow for quicker analysis and reporting of trends affecting the Region.

During the year we have answered numerous requests from a variety of data users. Because the NWRDC's an affiliate of the Minnesota Census Data

Center we have access to the latest federal census and state agency data sources. This information has been particularly useful in developing community profiles of the socioeconomic characteristics for the Cities of Hallock, Stephen and Ada in their efforts to secure grant funds from the State. These primary sources of data were also used to conduct extensive analysis of agricultural related trends for the Economic and Community Development Committee and a special report for the AVTI in Thief River Falls.

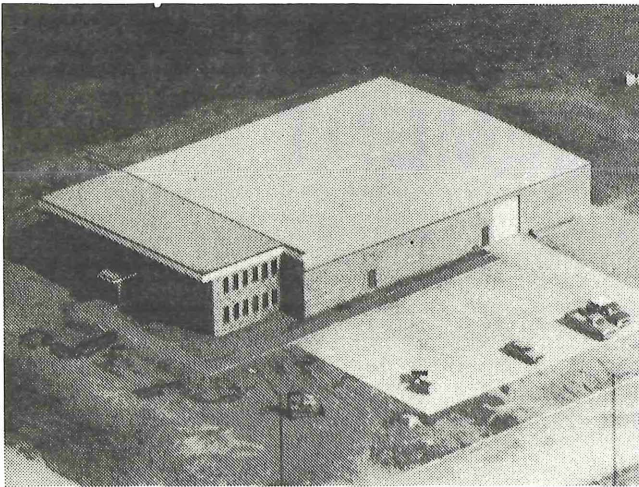
The addition of new computer capabilities this past year enables the staff to conduct survey analysis often required for need assessments and other planning functions. Survey analyses were completed this year for the City of Ada, the Nutrition Program, and the Arts Committee. The NWRDC also contracted with the City of Crookston to analyze the labor market and housing surveys required for the Star Cities application process.

During the upcoming year we expect to improve our data analysis capabilities by establishing the ability to access automated data bases via telecommunications systems. This information will be very useful in further developing regional profiles and analyzing emerging regional trends. As the 1990 Census draws near, the NWRDC also anticipates cooperating with the Minnesota Census Data Center in planning for the next enumeration of the Region's population.

ECONOMIC DEVELOPMENT

HIGHLIGHTS:

- Business/developers/local governments/economic development groups received assistance with economic development activities in 28 cities, 3 townships, and all counties in the Region.
- Six economic development projects which received NWRDC staff assistance were funded.
- Over the past 2½ years, the NWRDC has been involved to varying degrees with economic development activities which generated 2,007 jobs and an investment of \$33,923,000.
- The required local matching funds, \$142,000, have been committed to create a Regional Revolving Loan Fund.
- City of Crookston received designation as an Enterprise Zone.
- Held Urban Development Action Grant (UDAG) workshop.



- Downtown revitalization opportunities were studied by 14 communities in the Region.
- Community leaders toured growing industries in Roseau County.

ASSISTANCE PROVIDED FOR ECONOMIC GROWTH

Over the past several years, the Economic Development technical assistance activities of the NWRDC have been moving from the role of being a planning/information provider to providing assistance for local economic development efforts to being directly involved with projects. This changing role has come about due partly to the greater demand for assistance by communities/businesses and partly due to more federal and state financing tools having become available. Staff is now providing financial packaging, writing business plans, advising on financial and development negotiations, among other economic development services which are particularly requested by the smaller communities in the Region. Almost 500 contacts and meetings involving assistance directly relating to economic development took place. Twenty-eight cities, three townships, and all counties were represented. Projects in nine jurisdictions received assistance from the NWRDC in preparing eleven applications for economic development financing funds. Nine projects were funded. They are taking place in the following communities: Strathcona; Stephen; Argyle; Hallock (2); Crookston (2); East Grand Forks; and Thief River Falls.

As in previous years, the type, size and request of businesses varied considerably. Some projects involved only one or two jobs while others involved hundreds of jobs. Most projects, however, involve fewer than 15 jobs.

In an extremely competitive process, the City of Crookston was designated as an Enterprise Zone city by the MN Dept. of Energy and Economic Development. Crookston became the second competitive Enterprise Zone in the Region with Thief River Falls having been designated a year earlier. The City of East Grand Forks received similar state tax benefits under the State's "Border City Legislation." With a lot of volunteer effort, a strong public/private partnership including city, county, business and professional financial support and a little luck, Crookston has committed all of its Zone credits to three projects in less than twelve months.

JOB CREATION/RETENTION

Data was compiled to measure the extent of success in economic development. During the period from July 1, 1982 through December 31, 1984, 1,238 jobs were created, 394 jobs were retained, and 375 people were employed temporarily (construction jobs and the like). The investment committed to these projects (in millions of dollars) were as follows: 8.407 -

state and federal; 21,861 - private; 4,015 local. The total investment was \$33,923,000. It should be noted that these data do not include most of the economic development projects in the Crookston Enterprise Zone.

The impact of these projects was described in the NWRDC Newsletter, February 1985, "...in the same time period...the level of unemployment rose to 9.4 percent. If jobs arising from the projects noted above were removed, the unemployment rate for the Region would have increased by another 3.4 percent."

REGIONAL REVOLVING LOAN FUND

More than \$142,000 in local matching funds have been committed toward an Economic Development Administration grant request for \$425,000. A Regional Revolving Loan Fund of \$567,000 would be created. Commitments have been received as follows: City of Crookston \$50,000; City of East Grand Forks \$50,000; City of Red Lake Falls \$15,000; City of Thief River Falls \$25,000; Polk County \$25,276; and Red Lake County \$912. Basically, one-half of the Revolving Loan Fund will be targeted to the jurisdiction contributing \$10,000 or more in local match. However, business projects in all EDA eligible communities will have access to the other one-half of the funds. The Revolving Loan Fund will be leveraged by the use of other federal and state economic development financing tools to create jobs and enhance the local tax base. The NWRDC is in the process of incorporating the Northwest Regional Enterprise Fund. The Fund will make and administer the loans and any other business development financing programs which the Region is successful in obtaining.

DOWNTOWN REVITALIZATION

The NWRDC sponsored, with the assistance of the City of Crookston, a video conference presented via satellite by the National Main Street Center, Washington, D.C. Fourteen communities were represented at this 5½ hour conference held in Crookston. In addition to the physical image of the downtown which first comes to mind when people think about a community, the conference dealt with organization, promotion, design and economic restructuring. The participants agreed that most of the ideas could be scaled to fit any city in the Region.

COMMUNITY LEADERS TOUR INDUSTRIES

Members of the Economic and Community Development Committee and the Private Industry Council participated in a bus tour of businesses in Roseau County. Polaris Industries in Roseau and Marvin Windows and Christian Brothers Hockey Manufacturing Company in Warroad, were the star attractions. These firms employed 520, 1,700 and 40 persons respectively at the time of the tour. Since these firms have continued to grow, it is likely that the employment figures are low. It was the robust nature of each of these businesses that impressed the tour group. Polaris is manufacturing snowmobiles, paint sprayers and all-terrain vehicles. Marvin's makes all types of windows from standard to special designs. They ship standard windows within 7 days of order and special windows in up to 13 days. Christian Brothers make over 5,000 different shaped

hockey sticks. College and professional players each have them made to their specifications. It was apparent to the group that modern and sophisticated manufacturing methods were being used and that the workforce was dedicated and hard working.

EMERGING TRENDS IN ECONOMIC DEVELOPMENT AND THE RURAL ECONOMY

Public/private partnership is no longer just a popular buzz word in Region I. Cooperative efforts among government and business, as well as among communities has led to greater success in economic development this past year. Cooperation is setting the stage for even better results in the future. This comes at a time when economic stress continues to build in the Region and generally in rural America. Demographic trends of an aging population, agricultural trends of fewer and larger farms, economic trends favoring larger distribution areas and penalizing smaller businesses, health care trends resulting in the consolidation of services and facilities in larger communities, and state and federal tax policies increasing local tax burdens especially for education, combine with other forces to make the renewed and energetic economic development activities especially important. The Commission and staff take this opportunity to salute all of the participants in economic development in the Region for their efforts, investment of time and money, personal commitment and continuing support.

ENERGY DEVELOPMENT

The Commission has been involved in the development of the fiber fuels industry for the past few years. This year, the commitment of NWRDC resources to the development of alternative sources of energy resulted in the implementation of several projects which will not only diversify the Region's energy base, but will have significant impact on the agricultural and manufacturing sectors of our economy.

FIBER FUELS MARKET DEVELOPMENT STUDY

The NWRDC, under subcontract with Energy Consult Corporation of St. Paul, conducted a survey of fiber fuels consumption and production in the Region. Profiles of the users indicated that commercial/institutional users are saving significant amounts of money by utilizing fiber fuels. While residential users do not share the same savings it does appear that many are maintaining their homes at more comfortable temperatures. Supply was found to be adequate and, surprisingly, much of the biomass energy consumed in the Region is imported from elsewhere. Finally, the survey confirmed the need for improvements in delivery systems and wholesale storage facilities.

BIOMASS ENERGY CROPS

As noted previously, much of the fiber fuels energy

consumed in the Region is imported. Thus, there would appear to be an open market niche for producers in the Region. Add to this the fact that net farm income has declined substantially during the last few years and you have a problem and solution that merge quite nicely. In order to increase the potential cash income of the Region's farmers by filling this market gap, the NWRDC is participating in a cooperative project to establish biomass energy plantations.

In May of 1985, 12 acres of hybrid poplars were planted near Oklee on a cooperating farmers' land. Approximately 150,000 trees were planted at various densities, from 1 per square foot to 1 per square meter. The trees are intended to be harvested every two or three years with net returns projected to be about \$200-\$300 per acre. The agroforestry concept is not new, but does entail significant promise in that major input costs of production occur only at first planting and the trees are best suited to lower quality soils not competitively suited for traditional cash crops, like sugar beets or wheat.

The project is a cooperative effort of the University of Minnesota-Crookston, the Department of Energy and Economic Development, the Fiber Fuels Institute, the Soil Sciences Department - U of M, the Governor's Council for Rural Development and the NWRDC.

An effort to establish stands of cattails, which initially began as an energy development project, is also being undertaken by the cooperating agencies noted above and headed by the Bio-Energy Coordinating Office - U of M. The primary purpose of this project has now shifted to testing the effectiveness of narrow leaf cattails as a means of reducing the volume and nutrient levels of Crystal Sugar's beet processing waste water. The secondary purpose is to evaluate evapotranspiration rates of the cattails so that the waste water can be more rapidly discharged. A half acre of the cattails have been planted adjacent to Crystal Sugar's existing lagoons.

WASTE-TO-ENERGY

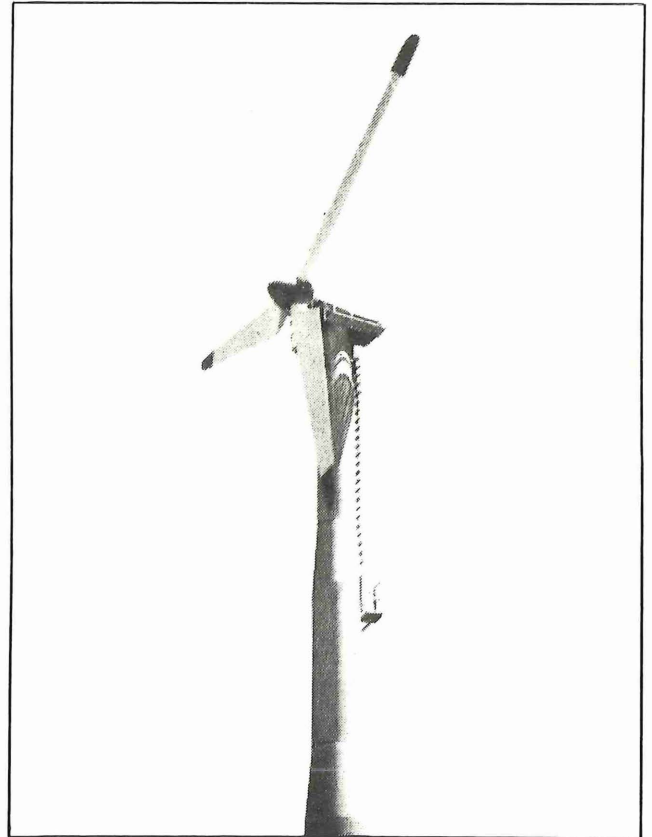
As groundwater problems intensify, alternatives to sanitary landfills became increasingly urgent. Couple this with the need for economical fuel sources and you have the Pennington County/Future Fuel, Inc. refuse densified fuel project in Thief River Falls.

The operation works this way: Solid waste will be transported to the facility in Thief River Falls, where glass, metals, and wet garbage will be separated from cardboard and paper. The paper and cardboard will be pressed into cubes, which can be burned in public buildings and private homes as a fuel. The glass and metals can be sold to recycling operations and the organic matter will be hauled to the sanitary landfill.

The plant is the first of its kind in Minnesota and will process approximately 10,000 tons of solid waste per year. The paper cubes that will be produced will be marketed within the Region and can burn in any furnace capable of burning pellets.

ENERGY FROM THE WIND

An industry and source of energy with a long history in the Region re-emerged strongly during the last year. Lakestate Systems of Kennedy, with 5 years experience in marketing and installing small wind energy conversion systems, expanded its operation into the assembly of its own 25 kilowatt power turbine. The expansion was made possible by a grant to the



City of Hallock from the Department of Energy and Economic Development and private financing from the Northwest State Bank in Hallock. The NWRDC worked extensively and cooperatively with all parties involved in securing the financing package.

As a result of Lakestate System's reputation in the wind energy industry and the successful expansion of its operations, a Denmark-based manufacturer of fiberglass rotor blades for wind system has begun production in the Region. First, the company (alternegy) will be producing rotor blades in Crookston at a facility which will employ around 70 persons. Second, the successful siting of the fiberglass facility enabled alternegy to move toward the assembly of its 90 kilowatt wind turbines in Hallock. Lakestate Systems (to be a jointly held American and Danish firm) will assemble and install the Minnesota-developed 25 kilowatt machines as well as the Danish wind turbines. The larger machines are designed for use in wind parks while the smaller machines are suited for business and farm uses. The power turbines and rotor blades will primarily be marketed in North America, but may also be exported to other countries.

REGIONAL ENERGY COUNCIL

During the coming year the NWRDC will be establishing a regionally represented council to continue its work in energy and economic development. The council will explore options available to all sectors of the economy with regard to conservation of conventional forms of energy and facilitate the implementation of alternative energy development wherever it is appropriate. In addition, the council will establish an information base on energy-related materials to help the region's residents, businesses and institutions become wiser energy consumers.

RED LAKE FALLS COMMUNITY DEVELOPMENT



The second year of the Commission's involvement in the administration of the Red Lake Falls Community Development Block Grant started in a whirl of construction. Although some housing rehabilitation had already been completed, the bulk of things really got going in the summer of 1984. With all necessary paper work completed, there was nothing to stop the hammers, trucks, saws and bulldozers which were the real purpose for the Project. Thirty low/moderate income homes were rehabilitated; 50 blocks of streets were paved; 17 dilapidated houses were removed; 3 existing businesses made improvements through a City Loan Program; 2 businesses were helped to locate in new, expanded sites; 3 businesses were assisted in start-up; a new library was completed; a new playground was added to Riverside Park; a shower/bathroom facility was built at Riverside Park; the tennis courts were resurfaced; a new swimming pool was built and a multitude of smaller projects were completed. There can be no questions that the City is serious about the project.

Much of the funding for the activities listed above

came from local sources or from additional grant applications and represent intense efforts to make certain Red Lake Falls does not get left behind. The efforts of the City and Commission staff have not gone without notice as the City received a Community Improvements Award from the Governor in recognition of outstanding efforts in community improvements. The City also took great care in spending grant funds as there was a projected surplus of over \$150,000 even though all scheduled activities were completed. The State has approved an extension of up to 18 months and those funds will be targeted towards even more activities. There seemed to be no end to new things during the year as the "tubing" industry exploded during the summer of '84 and the winter months were spent making plans for tubing 1985. Commission staff and a group of local citizens were successful in obtaining a \$4,400 Joint Venture Tourism Grant which was matched with \$4,400 of local funds to promote tubing and tourism in Red Lake Falls.

The idea of Red Lake Falls developing as a major tourist attraction is at the least an interesting idea and perhaps may signal a major change for the City. Three major private campgrounds have been built and four tubing or canoeing operations will be ready to float a large number of people down the Red Lake River. In a completely different direction, Commission staff have also been involved in a conversion of the City's water billing system to an in-house micro-computer with future plans to automate City accounting and a variety of other smaller functions.

The past year was a busy year and seemed to be a positive experience for both the City and the Commission. The Project will be looking towards completion next fall with a number of permanent and visible improvements remaining as a result of everyone's efforts.

TECHNICAL ASSISTANCE

A significant amount of staff time is spent providing assistance to local governments, agencies, private businesses and industries.

In the human services areas, staff assist in planning and finalizing projects, preparing applications for grant funds and also in managing funds for projects once they are funded.

In the area of community and economic development, staff has concentrated assistance in job producing centers primarily. Staff acted as a liaison between communities, a foreign developer and the State of Minnesota, which brought a Danish firm into the region which will eventually provide hundreds of

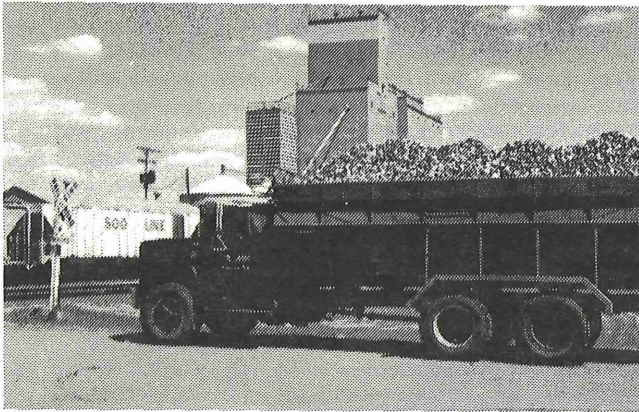
jobs and spin-off businesses.

Staff provides many hours of service to communities and agencies in planning and grant writing for community development program proposals, and is also the Census Data Center which provides data when needed.

The Commission also contracts with communities on large projects, and this year provided assistance to three counties on Revenue Sharing Conformance evaluation, and contracted with three communities to update their comprehensive plans.

Staff maintains a close working relationship with funding agencies in order to optimally assist local governments in targeting and leveraging funds for their specific needs.

TRANSPORTATION



Building on its solid base, the NWRDC Transportation Program continued to address commodity movement issues during FY 1985. The excellent work of the NWRDC Transportation Advisory Committee received Statewide recognition as the result of their special study on management options to promote efficient commodity movements was presented at the Mn/DOT sponsored Northstar Workshop. Increasing the use of testing programs to accurately determine road strength, allowing alternative axle arrangements to reduce stress on roads, providing reliable information regarding timing of weight restrictions and development of key routes to 10 ton standards were several of the options discussed. As maintenance and construction costs continue to climb, roadway management techniques must improve to maximize the efficient movement of commodities while minimizing road damage and hence maintenance costs.

Another first for the Region was the hosting of a round table discussion in Thief River Falls between local officials, transportation interests, agri-groups, Mn/DOT and a Minnesota Senate Subcommittee on Transportation. The issue at hand was provision of a high tonnage road network to allow for efficient commodity movements. The informal discussion format provided an opportunity for all participants to better understand both the problems and importance of rural goods movement and the financial constraints in providing a sound road network. The Senate Subcommittee received additional input at a formal public hearing held later in the day. Testimony regarding the need for an integrated network of high tonnage routes to meet rural commodity movement demands was presented by the NWRDC.

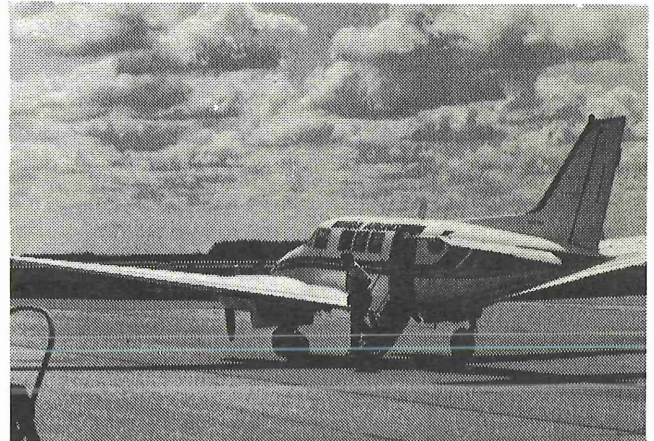
As trunk highways are designated higher weight

limits, the condition of local roads needed for moving goods to and from the farm and field to these high tonnage routes is becoming a growing concern. The NWRDC is conducting a local road management study which will provide decision-makers an increased understanding of the problems and also recommendations to effectively address the situation.

Good news for rail service in the Region was the announcement by Burlington Northern that they are interested in rehabilitating the Warroad to St. Hilaire rail line. Coordination by the NWRDC with the Northwestern Minnesota Rail Shippers Corporation, Mn/DOT and BN will continue as this project proceeds. As for air service, Bemidji Airlines observed their first anniversary of service to the Thief River Falls Regional airport while Mesaba Airline began service in Thief River Falls in May.

The process of updating the Regional Transportation Plan was nearly completed during the year. An integral part of the plan - the Regional trunk highway priority list - received a great deal of attention. Input was gathered from agri-groups, transportation system users and County Boards in identifying particular trouble spots on our trunk highway network. The Commission was also active in keeping abreast of transportation related legislative issues with recommendations being provided to area legislators stating Regional concerns and positions.

Overall, it was a very good year for transportation in the Region. While rural transportation problems have become no less pronounced, the increased input and involvement of the various transportation system users and providers ensures better understanding and coordination in planning for an efficient multi-modal transportation system for the future.



REGIONAL REVIEWS

The regional development commissions are charged with the responsibility of performing the regional review process on most federal and state funding requests. The purpose of this function is to provide coordination of projects and to avoid duplication of services where possible. NWRDC carries this out with the "Notification System" where local government and agencies having an interest are notified of the applicants intent to apply for funds and given the opportunity to comment on the project or program.

In its capacity as the Regional Clearinghouse, the Commission reviewed 55 proposals and plans for FY'85. Following is a breakdown of the distribution of applicants.

FEDERAL AGENCIES

ACTION	1,283,587
Economic Development Administration	567,000
Farmer's Home Administration	2,230,940
Department of Housing & Urban Development	1,119,786
Federal Totals	<u>5,201,313</u>

STATE AGENCIES

Department of Energy & Economic Development ***	19,293,100
Governor's Council on Developmental Disabilities	72,956
Minnesota Department of Transportation	3,486,273
State Totals	<u>22,852,329</u>
Total Funding	<u>28,053,642</u>

***This includes Small Cities Community Development Grants, LAWCON/LCMR Park & Recreation Grants and Economic Development Projects under the SCDP Program. The figures are total project figures and not necessarily the project funds requests.

NWRDC PUBLICATIONS

PY 84-85 JOB TRAINING PLAN ANNUAL UPDATE

The Job Training Plan covers a two-year period beginning July 1, 1984 through June 30, 1986. The annual update includes administrative and program revisions for the Job Training Partnership Act programs in the NWSDA. This Job Training Plan is written in conjunction with the NWPIC.

1984-1986 AREA PLAN FOR PROGRAMS ON AGING

This Plan outlines the needs of senior citizens in Region I and their demographic characteristics. The 1985 Area Plan Amendments to the 1984-1986 Area Plan includes an update inventory of services plus revised goals and objectives.

DIRECTORY OF RESOURCES AND PROGRAMS FOR OLDER PERSONS IN NORTHWEST MINNESOTA

This Directory has been developed as a resource for Region One senior citizens, consumers and professionals in the field of Aging. It provides a brief description of programs, resources and agencies. It describes the service areas, the primary contact person, as well as the addresses and phone numbers. The Directory is updated regularly as information changes.

DIRECTORY OF MEDICARE PARTICIPATING PHYSICIANS FOR NORTHWEST REGION I

This Directory contains a list of Medicare participating and non-participating physicians and suppliers for all of Region I and Grand Forks, North Dakota. It has been developed in order to help seniors find out which physicians, clinics and suppliers will accept Medicare payment.

DIRECTORY OF GOVERNMENT UNITS & SERVICE AGENCIES

This Directory was updated as an easily available resource of information on governmental agencies and services in Region I.

The Directory contains listings of service agencies which have full time staff and governmental offices from the township level through the legislative level. It also contains a brief description of the agency or office, the phone number, and key contact person. The Directory is updated periodically to keep current with ongoing changes.

OVERALL ECONOMIC DEVELOPMENT PROGRAM

During the year, this required document was rewritten. Sections were updated using available statistics. The Economic and Community Development Committee reviewed and revised the "Economic Development Strategy" section of the Overall Economic Development Program (OEDP). The acceptance of the OEDP by the Economic Development Administration, following its adoption by the seven counties in Region I and the NWRDC, is required for the Region to retain its designation as the Economic Development District.

NWRDC NEWSLETTER

The Commission's newsletter, which is published monthly, is to keep units of government and agencies abreast of Commission happenings and funding resources.

FY 1984 ANNUAL REPORT

The NWRDC's Annual Report for FY 1983 was prepared and distributed to the members of legislature and local officials and citizens.

REGIONAL REVOLVING LOAN FUND PROGRAM PLAN

This Program Plan was prepared as a part of an EDA grant application for \$425,000. The Program Plan will serve as the basic policy guide for the Northwest Regional Enterprise Fund, Inc.

ARTS PLAN FOR FY'86-87

This Plan includes a needs assessment which was developed to permit the Arts Advisory Committee to establish the listed priorities for the arts in Region I. Another important aspect of the Plan is that it explains the grant process and the regranting categories which is necessary information to those interested in applying for the arts grants.

REGIONAL TRANSPORTATION PLAN

This Plan involves two primary parts: 1) an inventory of various transportation modes in the Region; and 2) goals and policies to guide transportation planning in the Region. The Plan provides a multi-model development strategy based on the Region's perceptions of its future transportation system needs -- primarily reflecting the Region's need for efficient movement of agricultural commodities. The Plan was initially developed in 1981 with updates occurring bi-annually.

COMMODITY MOVEMENTS MANAGEMENT STUDY

As a follow-up to the inventory of agricultural commodity movements completed in a 1981 study this study report identifies options to more efficiently manage the transportation system to maximize highway investment decisions. More extensive use should be made of commodity movement data, road testing devices and local input in selectively targeting priority routes for upgrading to high tonnage routes.

FY'86 WORK PLAN

The Commission's Fiscal Year 1986 Work Plan was published. The document details the goals and objectives of the Commission in each of the program and planning areas.

CONSIDERATION FOR ECONOMIC DEVELOPMENT AND POLICY GUIDELINES FOR PARTICIPATION IN REVOLVING LOAN FUNDS

This guide is useful to a community in establishing local policy governing its involvement in Economic Development projects. Allowed and excluded business types are suggested. Questions dealing with competitive factors are identified.

NORTHWEST REGIONAL DEVELOPMENT COMMISSION STAFF

Staff

Thomas Jorgens
Judi Bruggeman
Gail Butenhoff
Donna Christianson
Mary Jo Crystal
Debbie Dufault
Wayne Faust
Wayne Goeken
Leon Heath
Helen Jurchen
Marian Normandin
Pat Rood
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Delore Zimmerman

Responsibilities

Executive Director
Red Lake Falls SCBG
Job Training
Accounting
Aging/Grants Management/Arts
Secretary
Economic Development
Transportation
Red Lake Falls SCBG/Job Training
Community/Economic Development
Secretary
Aging
Administrative Secretary
Community/Economic Development/Data Management

SUPPORT STAFF



CAROL SORENSEN



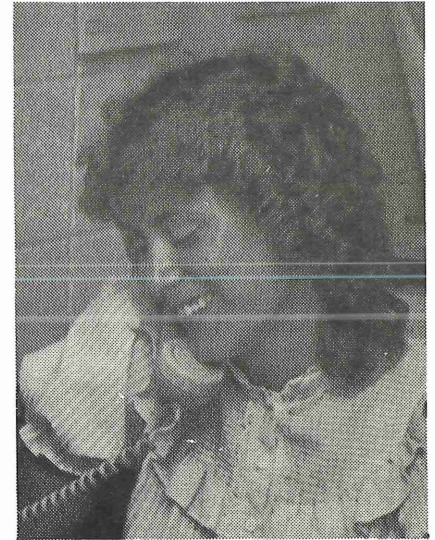
JENNY ANDRINGA



MARIAN NORMANDIN



DONNA CHRISTIANSON



DEBBIE DUFAULT

COMMISSION BUDGET

FY'85 ACTUAL

REVENUE

State General Support (SPA)	\$ 44,398
Local Levy	91,365
Minnesota Department of Transportation (State)	10,000
Economic Development Administration (Federal)	49,500
State Arts Board (State)	15,246
Department of Public Welfare (Adult Foster Care-State)	31,344
Private Industry Council (Federal)	102,960
Developmental Disabilities (Federal)	6,250
Minnesota Board on Aging (Federal)	54,705
Commodity Movement Study (Mn/DOT-State)	10,000
Local Road Management Study (MN/DOT-State)	18,000
Red Lake Falls Community Development	47,358
McKnight Foundation-Rural Strategy	10,350
Community Development (DEED-Federal)	10,000
Special Accelerated Technical Assistance Grant	1,362
Fiber Fuels (Dept. of Energy & Economic Dev.-Federal)	1,000
Intergovernmental Information Systems Advisory Council (MSAC)	2,500
MN Rail Shippers Assoc.	1,000
Governor's Rural Development Council	1,832
St. Vincent Township	1,250
City of Crookston	5,000
City of Fosston/McIntosh	2,000
Agassiz Health Systems Agency	990
Norman County Social Services	1,041
Interest	10,093
Other	4,255
TOTAL	\$533,799*

*Unaudited Totals - Subject to Change

EXPENDITURES

Salary/Fringe	\$347,600
Travel & Registrations	39,594
Commission Travel Expenses & Per Diem	12,266
Committee Expenses	21,232
Office Expenses	68,706
Professional Fees	39,704
Contract Payable/Capital Expenditures	3,740
TOTAL	\$532,842*

*Unaudited Totals - Subject to Change

FY'86 BUDGET

REVENUE

State Appropriation (SPA)	\$ 44,427
Local Levy	98,268*
Minnesota Department of Transportation (State)	15,000
Economic Development Administration (Federal)	49,500
State Arts Board (State)	18,140
Private Industry Council-Administration (Federal)	119,697
Minnesota Board on Aging (Federal)	60,939
Community Development Block Grants (Federal)	10,000
Energy Council	24,799
Energy LCMR	15,000
Transportation Special Studies Project (MN/DOT-State)	11,552
Local Roads Management Study (MN/DOT-State)	9,919
Red Lake Falls Community Development	36,720
Governor's Council on Rural Development	8,271
McKnight Rural Strategy (Foundation)	7,750
St. Vincent Township	9,700
City of Strathoona	16,657
McKnight Arts (Foundation)	600
City of McIntosh	2,500
City of Lancaster	1,000
City of Warroad	10,000
City of St. Hilaire	2,500
Interest	10,000
TOTAL	\$582,939

PROJECTED EXPENDITURES

Salary/Fringe	\$387,915
Travel & Registrations	36,786
Commission Travel Expenses & Per Diem	13,500
Committee Expenses	18,056
Office Expenses	79,291
Professional Fees	33,107
Contract Payable/Capital Expenditures	14,284
TOTAL	\$582,939



ARNE H. CARLSON
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

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SAINT PAUL 55103

296-2551

AUDITOR'S OPINION

Mr. Harry Sjulson, Chairman
Northwest Regional Development
Commission
425 Woodland Avenue
Crookston, Minnesota 56716

We have examined the combined financial statements of Region I, Northwest Regional Development Commission, Crookston, Minnesota, as of and for the year ended June 30, 1984, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the combined financial statements referred to above present fairly the financial position of Region I, Northwest Regional Development Commission, at June 30, 1984, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining and individual fund financial statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of Region I, Northwest Regional Development Commission. That information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

We have also examined the schedules of direct and indirect costs, included in the supplementary information referred to above, for the year ended June 30, 1984. In our opinion, these schedules are fairly presented in accordance with the Commission's cost allocation plan and the provisions of the Office of Management and Budget's Circular A-87, "Cost Principles for State and Local Governments."

ARNE H. CARLSON
State Auditor

September 21, 1984

